

COUNCIL MINUTES  
SPECIAL TIGARD CITY COUNCIL MEETING  
APRIL 25, 2005

- Mayor Dirksen called the meeting to order at 5:30 p.m.
- Council Present: Mayor Dirksen; Councilors Harding (arrived at 5:35 p.m., Sherwood, Wilson, and Woodruff.

1. DISCUSSION (Continued from April 19, 2005) – STRATEGIC FINANCE  
PLAN ISSUE PAPERS

Interim City Manager Prosser and Interim Finance Director Imdieke reviewed this agenda item with the City Council, which was continued from the April 19, 2005, City Council meeting.

Interim Finance Director Imdieke advised that after hearing comments from the City Council last Tuesday night, he organized the issues into four major categories (charts are on file in the City Recorder's office):

1. Feedback Requested
2. Items Implemented/Completed
3. Work in Progress
4. Long-Term Issues

Interim City Manager Prosser advised that the Executive Staff had started preparing information on this item in August/September 2004; some of the issues are included in the budget and others have been completed. There are some issues remaining for which staff still needs some City Council direction.

Interim Finance Director Imdieke reviewed with City Council those items where feedback is requested.

Councilor Harding arrived at 5:35 p.m.

The following items were discussed:

- Increased legal costs and annexation issues – Interim Finance Director Imdieke noted that City Council had looked at this item before and it might be time to look again at in-house legal services. Interim City Manager Prosser suggested this item could be reviewed, if desired, during the presentation of the

budget. The proposed budget assumes that the contract arrangement is to be continued. The budget figures include not only the City Attorney costs for the Ramis, Crew firm but it also includes contract costs for the labor attorney. Interim City Manager Prosser noted it would be highly unlikely that the City would be able to find an in-house attorney that would have both specialties. In response to a question from Councilor Woodruff, Mayor Dirksen and Interim City Manager Prosser advised the Charter specifies that the City Attorney reports to the City Council. There was discussion about having staff prepare cost information for in-house v. contractual attorney services. Mayor Dirksen noted there are issues to consider – the City has a variety of legal needs and it is likely that some legal work would need to be contracted out if in-house legal services are established. Examples of some issues that need legal expertise include: labor, governance, and land use.

Legal fees associated with lawsuits are often covered by the City's insurance carrier.

Interim Finance Director Imdieke asked if the City Council had any preference for the type of expertise that would be provided by in-house legal counsel. Mayor Dirksen suggested expertise in governance procedures and land use. Interim City Manager Prosser advised staff will prepare information for review by the Budget Committee on in-house v. contracted legal services.

In response to Councilor Wilson, Interim City Manager Prosser explained the request for an increase in legal fees is based on feedback from departments as they estimate what their legal needs might be for the next budget year. Initially, one item of concern pertained to increased costs associated with Ballot Measure 37, which has not impacted legal fees so far. Interim Finance Director Imdieke noted some major areas for additional legal support included the Comprehensive Plan Update and some land use questions associated with urban renewal.

- Solid Waste Management/Recycling/Code Enforcement – Interim Finance Director Imdieke noted interest was expressed to have additional attention paid to Code Enforcement along with some Metro mandates relating to business recycling. Perhaps it's time to add a staff person to address solid waste and environmental issues. The two haulers franchised to do business in Tigard have expressed some degree of support for

raising the franchise fee from 3 percent to 5 percent. The haulers would like to have some kind of commitment from the City that there would be educational recycling efforts that tied in with what the haulers are doing. It is hoped that the City would be successful in receiving some grant dollars from Metro for educational programs. The \$156,000 to be requested for this item would be generated by a 2 percent increase in the franchise fee in solid waste.

There was discussion on Metro's mandatory programs and the unknowns of how Metro would enforce. Interim City Manager Prosser advised that Tigard's position is that it does not support a mandatory program. Tigard supports an outreach approach to work with businesses. The recovery (through recycling) goal is 62% and businesses are currently at 59% (regionally) and based on this, Councilor Harding commented that a full-time recycling coordinator would not be justified. Interim City Manager Prosser noted that Tigard's commercial recovery rate is lower than the regional rate of 59%. Councilor Harding noted there is some recycling (shredded documents) that are not being taken into account.

Interim Finance Director Imdieke said that the region has taken the "low hanging fruit" to attain the 59%; it will become more difficult to get to the next level of tonnage, which is why an "organics" program is being considered with some experimental programs involving restaurants in the City of Portland. Curbside recycling has been successful for residential. Councilor Woodruff noted that recycling programs cost far more than the revenue received for the recycled materials.

Councilor Woodruff advised he does not have concern with funding requests when a funding source has been identified. Interim City Manager Prosser noted that when the figures for this item were put together, it was not known that there would be a request for a solid waste rate increase.

There was discussion about the timing of the increases in fees resulting in an increase in customer rates. Interim Finance Director Imdieke noted that if rates are raised, an increase in service should also occur. The rate review must be done by the City Council by June 30, 2005

- MSTIP Needs – Interim City Manager Prosser noted this was included for review by City Council at the time when it was

thought that another MSTIP levy would be proposed by the County. At this time, it appears that the County is slowing down this process and has asked cities to submit lists of projects. There are county-level discussions occurring and cities are expressing concerns that projects for cities are not appearing on the next MSTIP list. Councilor Harding confirmed that additional work needs to be done on the concerns with the MSTIP list; she said she has asked for the criteria used for project selection. Discussion followed about how projects had been identified and funded in the past. Interim City Manager Prosser advised that staff would prepare a memo noting Tigard's concerns about the MSTIP project selection process so Councilor Harding could take this with her to the next Washington County Coordinating Committee meeting.

- Recreation Programs – Interim Finance Director Imdieke noted the amount requested was submitted by the Park and Recreation Advisory Board regarding a bond measure for some type of recreation center. After discussion, Council consensus was that this would be a low priority. There is potential for a regional center sponsored by the Salvation Army.

Interim City Manager Prosser advised an issue paper would be brought to the Budget Committee to consider placing dollars in the budget to be available to match grant applications for recreation activities.

- Right-of-Way Review – Interim City Manager Prosser noted this item pertained to right-of-way maintenance. Maintenance of right-of-way areas abutting private property is the responsibility of the property owners. There are examples (e.g. Durham Road) where property owners have frontage along two roads and the property owner is cut off from access by a wall. The larger dollar amount shown reflected the cost if the City Council decided right-of-way maintenance should be provided to properties along major arterials. The smaller amount represented an allocation to be set aside to provide grants to neighborhoods or individuals to help them maintain right-of-way property. These amounts were not included in the proposed budget. Mayor Dirksen said he would not be supportive of the larger number but would be interested in discussing a cooperative arrangement with citizens (smaller number). There will be an issue paper prepared for review by the Budget Committee.

Councilor Wilson noted this issue continues to be of concern in the community. He referred to areas in other cities where these right-of-way areas are maintained, which adds to property values. He said he would support further discussion about making "in-roads in this area." He suggested a small pilot project could be implemented. Mayor Dirksen noted he would also be interested in a pilot project on a road, such as Durham Road, to determine what costs might be. There was discussion about programs in other cities.

Councilor Woodruff suggested this be reviewed with the neighborhood association near Durham Road. Councilor Harding suggested that contracting out for services for maintenance also be explored. Councilor Sherwood noted concerns for fairness since much of the right-of-way along Durham Road is being maintained by adjacent property owners and, essentially, the area that is not being maintained is next to Summerfield.

- Parks and Open Space Acquisition – Interim Finance Director Imdieke advised that this item is directly tied to the need for some matching funds to be used with the SDC's. The issue paper suggests a bond measure for open spaces or property acquisition. Interim City Manager Prosser advised there will be an issue paper presented on this item during the budget process. Mayor Dirksen noted the priority on this item was "3" and he said he would like to see it moved to a "1." Interim City Manager Prosser and Interim Finance Director Imdieke reviewed some of the financing strategies recommended to address a ten-year Parks Master Plan. More up to date figures will be available during the budget process.
- Environmental Program – Interim Finance Director Imdieke said this was in conjunction with the potential to do some natural resources planning and environmental awareness. The issue paper proposed dollars be made available to "purchase expertise." This will not be proposed in the budget, so if City Council wants staff to do something on this, City Council will need to give staff that direction.

Councilor Harding she would like to see a total number that is being recommended to be spent on consultation fees. Interim Finance Director Imdieke suggested that he ask the department that prepared this issue paper prepare costs for the "total package."

Interim Finance Director Imdieke noted the Local Option Property Tax, Franchise Fee for Water & Sewer, Privilege Tax, and Telecommunications Registration Fee are all tied together. With regard to the Local Option Property Tax, eventually the City will be faced with a deficit and will need to look at some long-term alternative funding sources. Interim Finance Director Imdieke noted that many surrounding jurisdictions have placed a franchise fee on water and sewer to collect money for General Fund programs. The Privilege Tax and Telecommunications Registration Fee are questions the City Council will be asked to consider to determine whether they would prefer a fee approach or the local option levy. Mayor Dirksen noted that before considering new revenue sources, the City should make sure it is collecting payment for everything for which it is entitled. Mayor Dirksen said that franchise fees on water and sewer should be a first priority. He said he would prefer the Local Option Property Tax be dropped back to Priority 3 as this should be a last resort. Several Council members indicated they agreed with Mayor Dirksen.

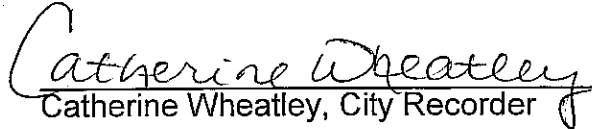
- Passport Agency – City Council agreed the staff should proceed with providing this service.
- There was brief discussion on providing notary services. City Recorder Wheatley advised the City currently provides this service at no charge. Notaries are limited on the amount they can charge and this would not provide a significant amount of revenue. The City does not charge for notary services.
- Councilor Woodruff cautioned about the fee approach as the City looks for additional revenue. Generally, fees can be charged without going to the voters; then, when it becomes necessary to ask voters to consider additional taxes, they may feel as if they have been “nickel and dimed” and are not willing to vote yes once they have a chance to vote. Mayor Dirksen noted the City should be very “up front” about any fees it does charge and let residents know why the City is charging a fee.

Interim City Manager Prosser noted it is good to have a diversified revenue base.

- Councilor Sherwood noted that the County might not place a WCCLS funding proposal before the voters in 2006. Interim City Manager Prosser noted the County is waiting to hear how

the annexation issues are dealt with by the State legislature before making the decision on the timing for a WCCLS levy.

2. ADJOURNMENT: 6:18 p.m.

  
Catherine Wheatley, City Recorder

Attest:

  
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Mayor, City of Tigard

Date: June 14, 2005